

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

PERFORMANCE PRICING, INC.,

Plaintiff,

v.

GOOGLE INC., AOL LLC, MICROSOFT
CORPORATION, YAHOO! INC.,
IAC SEARCH & MEDIA, INC., and
A9.COM, INC.,

Defendants.

Case No. 2:07-cv-432 (LED)

JURY TRIAL DEMANDED

Plaintiff Performance Pricing's reply brief
for its motion for summary judgment re:
no defense of written description under section 112

Defendants’ written description defense is aimed solely at the element of the price-determining activity (“PDA”). Satisfying this requirement in section 112 “requires that the written description actually or inherently disclose the claim element.” *PowerOasis, Inc. v. T-Mobile USA, Inc.*, 522 F.3d 1299, 1306 (Fed. Cir. 2008). It is undisputed that the ‘253 written description expressly discloses the PDA element. *See, e.g.*, ‘253 at 2:66-3:1 (“price to be determined ... while participating in a Price-determining-activity (PDA)”). Accordingly, summary judgment is appropriate.

Defendants do not contest the above law or facts. Instead, Defendants argue that the specification does not contain an example “in which a PDA may be the creation and submission of ad text in a transaction involving the purchase of the same online advertising.” *Opp.* at 1. This argument fails as a matter of law because the specification need not expressly disclose Defendants’ specific implementation. *LizardTech, Inc. v. Earth Res. Mapping, Inc.*, 424 F.3d 1336, 1345 (Fed. Cir. 2005) (section 112 does not require the specification to “contain examples explicitly covering the full scope of the claim language”); *Falkner v Inglis*, 448 F.3d 1357, 1366 (Fed. Cir. 2006) (“we hold ... examples are not necessary to support the adequacy of a written description”).

The sole evidence Defendants provide is a declaration that the inventor did not have “possession of the invention to include PDAs that [are] non-collateral activities.” Shamos ¶ 12 (emphasis added). That declaration is conclusory and therefore insufficient to meet Defendants’ burden of proof. More significantly, it is irrelevant because it addresses the wrong issue. The Court adopted a construction of PDA (which Defendants agreed to) that includes only collateral activities. Markman 8. Accordingly, the relevant question is whether the written description shows the inventor to be in possession of PDAs that are collateral activities. The answer is yes. *See, e.g.* 2:23-25 (“price ... is determined based upon ... participating in a collateral activity”). Defendants present no contrary evidence.

For the forgoing reasons, Plaintiff’s motion should be granted in its entirety.

Respectfully submitted,

Dated: January 19, 2010

By: /s/ Richard E. Lyon

Richard E. Lyon
CA State Bar No. 229288
Email: rick@dovellaw.com
Gregory S. Dovel
CA State Bar No. 135387
Email: greg@dovellaw.com
Sean Luner
CA State Bar No. 165443
Email: sean@dovellaw.com
Dovel & Luner, LLP
201 Santa Monica Blvd., Suite 600
Santa Monica, CA 90401
Telephone: 310-656-7066
Facsimile: 310-657-7069

S. Calvin Capshaw
State Bar No. 03783900
Elizabeth L. DeRieux
State Bar No. 05770585
Brown McCarroll, L.L.P.
1127 Judson Road, Suite 220
Longview, TX 75601
Telephone: (903) 236-9800
Facsimile: (903) 236-8787
Email: capshaw@mailbmc.com
Email: ederieux@mailbmc.com

Robert M. Parker
State Bar No. 15498000
Email: rmparker@cox-internet.com
Robert Christopher Bunt
State Bar No. 00787165
Email: cbunt@cox-internet.com
Parker & Bunt, P.C.
100 East Ferguson, Ste. 1114
Tyler, TX 75702
Telephone: 903/531-3535
Facsimile: 903/533-9687

ATTORNEYS FOR PLAINTIFF
PERFORMANCE PRICING, INC.

CERTIFICATE OF SERVICE

I hereby certify that all counsel of record who are deemed to have consented to electronic service are being served on January 19, 2010, with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by electronic mail, facsimile transmission and/or first class mail on this same date.

/s/ Richard E. Lyon
Richard E. Lyon

CERTIFICATE OF AUTHORIZATION TO FILE UNDER SEAL

This is to certify that the motion should be filed under seal because it contains material covered by the protective approved and entered in this case as the Agreed Protective Order of July 13, 2008, Docket No. 123.

/s/ Richard E. Lyon
Richard E. Lyon